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Central Intelligence Agency



Washington D.C. 20505

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The Honorable David A. Stockman  
Director  
Office of Management and Budget  
Washington, D.C. 20503

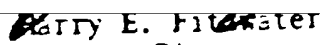
Dear Mr. Stockman:

This will supplement my letter of 11 June 1984 which requested approval to renew existing agreements under the Physicians' Comparability Allowance Act of 1978, as amended. In addition to renewing existing agreements, we seek approval to enter into new agreements with physicians who are employed to replace covered physicians who leave the Agency.

Your approval is requested to amend our implementation plan accordingly.

Sincerely,

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Deputy Director  
for  
Administration

OLL 84-0091

10 January 1984

MEMORANDUM FOR: General Counsel  
Director of Finance  
✓ Director of Medical Services

(b)(3)

STAT  
FROM:

SUBJECT: Federal Physicians Comparability Allowance  
Amendments of 1983

1. Attached for your reference is the final version of Public Law 98-168, the Federal Physicians Comparability Allowance Amendments of 1983. The President signed this bill into law on 29 November 1983.

2. Title I of this law extends the authority to pay federal physicians a comparability allowance until 30 September 1989. This title also relieves certain federal physicians from the obligation to repay compensation received in Fiscal Year 1982 in excess of the statutory limit. The statutory limit was exceeded when these individuals mistakenly were paid maximum physicians comparability allowances and SES performance awards.

3. Title II of this law addresses the problem of dual retirement coverage for federal employees hired after 1 January 1984. This title provides that during the two year period pending the creation of a new Government retirement system, newly hired employees will contribute 1.3 percent of their salary to the Civil Service Retirement System and 7 percent of their salary to Social Security. The contribution deficiency to the Civil Service Retirement System resulting from the employee's 1.3 percent contribution will be paid by the Department of Treasury. This title also contains rules for retirement benefits during the interim period and an election provision for certain current employees who will be covered by Social Security after 1 January 1984.

4. Finally, Title III of the law requires the Office of Personnel Management to report on the effect of the statutory limit on SES pay on the recruitment, retention and morale of SES career appointees.

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Attachment

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cc

(b)(3)

Public Law 98-168

Declassified in Part - Sanitized Copy Approved for Release 2012/10/09 : CIA-RDP90M00004R000900140014-9  
An Act

To amend title 5, United States Code, to extend the Federal Physicians Comparability Allowance Act of 1978, and for other purposes.

Nov. 29, 1983  
[H. R. 2077]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**TITLE I—PHYSICIANS COMPARABILITY ALLOWANCE**

**SHORT TITLE**

SEC. 101. This title may be cited as the "Federal Physicians Comparability Allowance Amendments of 1983."

Federal  
Physicians  
Comparability  
Allowance Act of  
1978  
amendment  
Federal  
Physicians  
Comparability  
Allowance  
Amendments of  
1983  
5 USC 5948 note

**EXTENSION OF AUTHORITY**

SEC. 102. (a) The second sentence of section 5948(d) of title 5, United States Code, is amended to read as follows: "No agreement shall be entered into under this section later than September 30, 1987, nor shall any agreement cover a period of service extending beyond September 30, 1989."

(b) Section 3 of the Federal Physicians Comparability Allowance Act of 1978 (5 U.S.C. 5948 note) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1989".

**PAY OF CERTAIN FEDERAL PHYSICIANS FOR FISCAL YEAR 1982**

SEC. 103. (a) Any individual whose aggregate pay for fiscal year 1982 exceeded the limitation set forth in section 5383(b) of title 5, United States Code, is relieved of all liability to the United States for any amounts paid to such individual in excess of such limitation if, and to the extent that, such liability takes into account any allowance paid under section 5948 of such title.

5 USC 5948 note

(b)(1) The appropriate agency head shall pay, out of any appropriation or fund available to pay allowances under section 5948 of title 5, United States Code, to any individual as to whom liability is relieved under subsection (a), an amount equal to the aggregate of any amounts paid by such individual, or withheld from sums otherwise due such individual, with respect to any liability relieved under such subsection.

5 USC 5948

(2) A payment under paragraph (1)—

(A) shall be made only if written application therefor is submitted to the appropriate agency head, in accordance with such regulations as the President or his designee may prescribe, within two years after the date of enactment of this Act, and

(B) shall not be considered for purposes of applying the limitation set forth in section 5383(b) of title 5, United States Code.

(c) For the purpose of this section—

Definitions

(1) the term "aggregate pay", as used with respect to an individual, means the aggregate amount paid to such individual under sections 4507, 5382, 5384, and 5948 of title 5, United States Code.

(2) the term "appropriate agency head", as used with respect to an individual, means the head of the agency employing such individual when such individual was paid an allowance with respect to which liability is relieved under this subsection, and

(3) the term "agency" has the meaning given such term by section 5948(g)(2) of such title.

## TITLE II—FEDERAL EMPLOYEES RETIREMENT ADJUSTMENT

### SHORT TITLE

Sec. 201 This title may be cited as the "Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983."

### STATEMENT OF POLICY

Sec. 202 It is the policy of the Government—

(1) that the amount required to be contributed to certain public retirement systems by employees and officers of the Government who are also required to pay employment taxes relating to benefits under title II of the Social Security Act for service performed after December 31, 1983, be modified until the date on which such employees and officers are covered by a new Government retirement system (the design, structure, and provisions of which have not been determined on the date of enactment of this Act) or January 1, 1986, whichever is earlier;

(2) that the Treasury be required to pay into such retirement systems the remainder of the amount such employees and officers would have contributed during such period but for the temporary modification;

(3) that the employing agencies make contributions to the retirement systems with respect to such service in amounts required by law in effect before January 1, 1984, without reduction in such amounts;

(4) that such employees and officers accrue credit for service for the purposes of the public retirement systems in effect on the date of enactment of this Act until a new Government retirement system covering such employees and officers is established;

(5) that, where appropriate, deposits to the credit of such a retirement system be required with respect to service performed by an employee or officer of the Government during the period described in clause (1), and, where appropriate, annuities be offset by the amount of certain social security benefits attributable to such service; and

(6) that such employees and officers who are first employed in civilian service by the Government or first take office in civilian service in the Government on or after January 1, 1984, become subject to such new Government retirement system as may be established for employees and officers of the Government on or after January 1, 1984 and before January 1, 1986, with credit for service performed after December 31, 1983, by such em-

ment system

### DEFINITIONS

Sec. 203 (a) For the purposes of this title—

(1) the term "covered employee" means any individual whose service is covered service;

(2) the term "covered retirement system" means—

(A) the Civil Service Retirement and Disability System under subchapter III of chapter 83 of title 5, United States Code;

(B) the Foreign Service Retirement and Disability System under chapter 8 of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.);

(C) the Central Intelligence Agency Retirement and Disability System under the Central Intelligence Agency Retirement Act of 1964 for certain Employees (50 U.S.C. 403 note); and

(D) any other retirement system (other than a new Government retirement system) under which a covered employee who is a participant in the system is required to make contributions to the system in an amount equal to a portion of the participant's basic pay for covered service, as determined by the President;

(3) the term "covered service" means service which is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954 by reason of the amendments made by section 101 of the Social Security Amendments of 1983 (97 Stat. 67), and

(4) the term "new Government retirement system" means any retirement system which (A) is established for officers or employees of the Government by or pursuant to a law enacted after December 31, 1983, and before January 1, 1986, and (B) takes effect on or before January 1, 1986.

(b) The President shall publish the determinations made for the purpose of subsection (a)(2)(D) in an Executive order.

### CONTRIBUTION ADJUSTMENTS

Sec. 204 (a) In the case of a covered employee who is participating in a covered retirement system, an employing agency shall deduct and withhold only 1.3 percent of the basic pay of such employee under—

(1) section 8334 of title 5, United States Code;

(2) section 805 of the Foreign Service Act of 1980 (22 U.S.C. 4045);

(3) section 211 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note); or

(4) any provision of any other covered retirement system which requires a participant in the system to make contributions of a portion of the basic pay of the participant;

for covered service which is performed after December 31, 1983, and before the earlier of the effective date of a new Government retirement system or January 1, 1986. Deductions shall be made and withheld as provided by such provisions in the case of covered service which is performed on or after such effective date or Janu-

5 U.S.C. 8334

Executive order publication

42 U.S.C. 401  
26 U.S.C. 401  
47 sec

5 U.S.C. 8334

5 U.S.C. 8334

any 1, 1986, as the case may be, and is not subject to a new Government retirement system.

(b) Employing agencies of the Government shall make contributions with respect to service to which subsection (a) of this section applies under the second sentence of section 8333(a)(1) of title 5, United States Code, the second sentence of section 803(a) of the Foreign Service Act of 1980 (22 U.S.C. 403(a)), the second sentence of section 211(a) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note), and any provision of any other covered retirement system requiring a contribution by the employing agency, as if subsection (a) of this section had not been enacted.

#### REIMBURSEMENT FOR CONTRIBUTION DEFICIENCY

SEC. 205 (a) For purposes of this section—

(1) the term "contribution deficiency", when used with respect to a covered retirement system, means the excess of—

(A) the total amount which, but for section 204(a) of this Act, would have been deducted and withheld under a provision referred to in such section from the pay of covered employees participating in such retirement system for service to which such section applies, over

(B) the total amount which was deducted and withheld from the pay of covered employees for such service as provided in section 204(a) of this Act; and

(2) the term "appropriate agency head" means—

(A) the Director of the Office of Personnel Management, with respect to the Civil Service Retirement and Disability System under subchapter III of chapter 83 of title 5, United States Code;

(B) the Secretary of State, with respect to the Foreign Service Retirement and Disability System under chapter 8 of the Foreign Service Retirement Act of 1980 (22 U.S.C. 404 et seq.);

(C) the Director of Central Intelligence, with respect to the Central Intelligence Agency Retirement and Disability System under the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note); and

(D) the officer designated by the President for that purpose in the case of any retirement system described in section 203(a)(4)(D) of this Act.

(b) At the end of each of fiscal years 1984, 1985, and 1986, the appropriate agency head—

(1) shall determine the amount of the contribution deficiency for such fiscal year in the case of each covered retirement system, including the interest that those contributions would have earned had they been credited to the fund established for the payment of benefits under such retirement system in the same manner and at the same time as deductions under the applicable provision of law referred to in section 204(a) of this Act; and

(2) shall notify the Secretary of the Treasury of the amount of the contribution deficiency in each such case.

(c) Before closing the accounts for each of fiscal years 1984, 1985, and 1986, the Secretary of the Treasury shall credit to the fund established for the payment of benefits under each covered retirement system, as a Government contribution, out of any money in the Treasury not otherwise appropriated, an amount equal to the amount determined under subsection (b) with respect to that covered retirement system for the fiscal year involved.

(d) Amounts credited to a fund under subsection (c) shall be accounted for separately than amounts credited to such fund under any other provision of law.

#### SPECIAL DEPOSIT AND OFFSET RULES RELATING TO RETIREMENT BENEFITS FOR INTERIM COVERED SERVICE

SEC. 206 (a) For the purposes of this section, the term "interim covered service" means covered service to which section 204(a) applies.

(b)(1) Paragraphs (2) and (3) apply according to the provisions thereof only with respect to a covered employee who is employed by the Government on December 31, 1983.

(2)(A) Notwithstanding any other provision of law, the interim covered service of such covered employee shall be considered—

(i) in determining entitlement to and computing the amount of an annuity (other than a disability or survivor annuity) commencing under a covered retirement system during the period beginning January 1, 1984, and ending on the earlier of the date a new Government retirement system takes effect or January 1, 1986, by reason of the retirement of such covered employee during such period only if such covered employee makes a deposit to the credit of such covered retirement system for such covered service in an amount computed as provided in subsection (f), and

(ii) in computing a disability or survivor annuity which commences under a covered retirement system during such period and is based in any part on such interim covered service; and is based in any part on such interim covered service under which subparagraph (A)(ii) applies shall be reduced by the portion of the amount of any benefits which is payable under title II of the Social Security Act and is attributable to the interim covered service considered in computing the amount of such annuity, as determined under subsection (g), unless, in the case of a survivor annuity, a covered employee has made a deposit with respect to such covered service for the purposes of subparagraph (A)(i) before the date on which payment of such annuity commences.

(3) Notwithstanding any other provision of law, if a new Government retirement system is not established or is inapplicable to such a covered employee who retires or dies subject to a covered retirement system after the date on which such new Government retirement system takes effect, the interim covered service of such covered employee shall be considered in determining entitlement to and computing the amount of an annuity under a covered retirement system based on the service of such covered employee only if such covered employee makes a deposit to the credit of such covered retirement system for such covered service in an amount computed as provided in subsection (f).

(c)(1) Paragraphs (2) and (3) apply according to the provisions thereof only with respect to a covered employee who was not employed by the Government on December 31, 1983.

(2) Notwithstanding any other provision of law, any annuity which commences under a covered retirement system during the

on interim covered service shall be reduced by the portion of the amount of any benefits which is payable under title II of the Social Security Act to the annuitant and is attributable to such service, as determined under subsection (g).

(3) Notwithstanding any other provision of law, if a new Government retirement system is not established, the interim covered service of such a covered employee who retires or dies after January 1, 1981, shall be considered in determining entitlement to and computing the amount of an annuity under a covered retirement system based on the service of such covered employee only if such covered employee makes a deposit to the credit of such covered retirement system for such covered service in an amount computed as provided in subsection (f).

(d) If a covered employee with respect to whom subsection (b)(3) or (c)(3) applies dies without having made a deposit pursuant to such subsection, any individual who is entitled to an annuity under a covered retirement system based on the service of such covered employee or who would be entitled to such an annuity if such deposit had been made by the covered employee before death may make such deposit after the date of death of such covered employee. Service covered by a deposit made pursuant to the first sentence shall be considered in determining, in the case of each individual to whom the first sentence applies, the entitlement to and the amount of an annuity under a covered retirement system based on the service of such covered employee.

(e) A reduction in annuity under subsection (b)(2)(B) or (c)(2) shall commence on the first day of the first month after the date on which payment of benefits under title II of the Social Security Act commences and shall be determined each time an increase in such benefits takes effect pursuant to section 2104 of the Social Security Act. In the case of an annuity of a participant or former participant in a covered retirement system, of a surviving spouse or child of such participant or former participant, or of any other person designated by such participant or former participant to receive an annuity, under a covered retirement system (other than a former spouse) the reduction in annuity under subsection (b)(2)(B) or (c)(2) shall be calculated before any reduction in such annuity provided under such system for the purpose of paying an annuity under such system to any former spouse of such participant or former participant based on the service of such participant or former participant. (f) For the purposes of subsection (b) or (c), the amount of a deposit to the credit of the applicable covered retirement system shall be equal to the excess of—

(1) the total amount which would have been deducted and withheld from the basic pay of the covered employee for the interim covered service under such covered retirement system but for the application of section 201(a), over

(2) the amount which was deducted and withheld from such basic pay for such interim covered service pursuant to section 201(a) and was not refunded to such covered employee.

(g) For the purpose of subsections (b)(2)(B) and (c)(2), the portion of the amount of the benefits which is payable under title II of the Social Security Act to an individual and is attributable to interim covered service shall be determined by—

(1) computing the amount of such benefits including credit for such service;

(2) computing the amount of such benefits, if any, without including credit for such service; and

(3) subtracting the amount computed under clause (2) from the amount computed under clause (1).

(h) The Secretary of Health and Human Services shall furnish to the appropriate agency head (as defined in section 201(a)(2)) such information as such agency head considers necessary to carry out this section.

#### TRANSFER OF CREDIT TO NEW RETIREMENT SYSTEM

Sec. 207. (a) Any covered employee who first becomes employed in civilian service by the Government or first takes office in civilian service in the Government on or after January 1, 1981, shall become subject to such new Government retirement system as may be established.

(b) In the case of any covered employee who is subject to a covered retirement system on or after January 1, 1981, and thereafter becomes subject to a new Government retirement system—

(1) credit for the service of such employee to which section 201(a) applies shall be transferred from such covered retirement system to the new Government retirement system for the purposes of the new Government retirement system; and

(2) such service shall be considered not to be creditable service for the purposes of such covered retirement system, effective on the date on which such employee becomes subject to such new Government retirement system.

#### ELECTIONS BY CERTAIN COVERED EMPLOYEES

Sec. 208. (a) Any individual performing service of a type referred to in clause (i), (ii), (iii), or (iv) of section 2104(a)(5) of the Social Security Act beginning on or before December 31, 1983, may—

(1) if such individual is then currently a participant in a covered retirement system, elect by written application submitted before January 1, 1984—

(A) to terminate participation in such system, effective after December 31, 1983; or

(B) to remain under such system, as if the preceding sections of this Act and the amendments made by this Act had not been enacted; or

(2) if such individual is then currently not a participant in a covered retirement system, elect by written application—

(A) to become a participant under such system (if such individual is otherwise eligible to participate in the system), subject to the preceding sections of this Act and the amendments made by this Act; or

(B) to become a participant under such system (if such individual is otherwise eligible to participate in the system), as if the preceding sections of this Act and the amendments made by this Act had not been enacted.

(b) An application by an individual under subsection (a) shall be submitted to the official by whom such covered employee is paid.

(c) Any individual who elects to terminate participation in a covered retirement system under subsection (a)(1)(A) is entitled to have such individual's contributions to the retirement system refunded, in accordance with applicable provisions of law, as if such

Inform  
submit

5 USC

5 USC  
App. 4  
42 USC

Refund  
interim  
covered

the election

(d) Any individual who is eligible to make an election under subparagraph (A) or (B) of subsection (a)(1), but who does not make an election under either such subparagraph, shall be subject to the preceding sections of this Act and the amendments made by this Act

### TITLE III - SENIOR EXECUTIVE SERVICE

Report to  
Congress  
5 USC added note

Sec. 301. (a) The Office of Personnel Management shall study and, within 12 months after the date of enactment of this Act, submit to each House of the Congress a report on the effect which section 558(b) of title 5, United States Code (relating to the maximum aggregate amount payable to a member of the Senior Executive Service in a fiscal year) has had with respect to recruitment, retention, and morale of career appointees in the Senior Executive Service.

(b) Section 3135(a)(7) of title 5, United States Code, is amended to read as follows:

"(7) for the preceding fiscal year, by agency --

"(A) the number of performance awards, and the number of ranks, conferred, as well as the respective aggregate amounts paid for such awards and ranks,

"(B) the percentage of career appointees in such agency who received any such award, and the percentage who received any such rank, and

"(C) the name of each individual who received any such award or rank, the award or rank received, and a brief summary of the reasons why such individual was selected."

Approved November 29, 1983

### LEGISLATIVE HISTORY - H.R. 2077 (S. 1009)

HOUSE REPORT No. 98-342 (Comm. of Conference)

SENATE REPORTS No. 98-218 (accompanying S. 1009 (Comm. on Governmental Affairs) and No. 98-307 (Comm. of Conference)

CONGRESSIONAL RECORD Vol. 129 (1983)

Sept. 19 considered and passed House

Sept. 20, S. 1009 considered in Senate; H.R. 2077, amended, passed in lieu

Nov. 4, House concurred in Senate amendment with an amendment; Senate

Nov. 11, Senate agreed to conference report

Nov. 16, House agreed to conference report



96TH CONGRESS  
1ST SESSION

# H. R. 5015

To amend title 5, United States Code, to extend the Federal Physicians Comparability Allowance Act of 1978, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 30, 1979

Mrs. SPELLMAN introduced the following bill, which was referred to the Committee on Post Office and Civil Service

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## A BILL

To amend title 5, United States Code, to extend the Federal Physicians Comparability Allowance Act of 1978, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Federal Physicians Com-  
4       parability Allowance Amendments of 1979".

5       SEC. 2. Section 5948 of title 5, United States Code, is  
6       amended—

7       (1) in subsection (d) by—

1 (A) striking out "September 30, 1979" and  
2 inserting in lieu thereof "September 30, 1981";  
3 and

4 (B) striking out "September 30, 1981" and  
5 inserting in lieu thereof "September 30, 1983";  
6 (2) in subsection (g)(1) by—

7 (A) redesignating subparagraphs (B) through  
8 (G) as subparagraphs (D) through (I), respec-  
9 tively;

10 (B) inserting after subparagraph (A) the fol-  
11 lowing:

12 "(B) subchapter VIII of chapter 53 of this  
13 title, relating to the Senior Executive Service;

14 "(C) chapter 54 of this title, relating to the  
15 Merit Pay System;"

16 (C) amending subparagraph (D) (as redesign-  
17 ated by this section) by striking out "5361" and  
18 inserting in lieu thereof "5371"; and

19 (D) amending subparagraph (H) (as redesign-  
20 ated by this section) by striking out "section"  
21 and inserting in lieu thereof "sections 101 and";  
22 and

23 (3) in subsection (g)(2) by striking out the comma  
24 after the word "title" and inserting in lieu thereof  
25 ", the Library of Congress,".

3

1       SEC. 3. Section 5383(b) of title 5, United States Code,  
2 is amended by striking out "and 5384" and inserting in lieu  
3 thereof "5384, and 5948".

4       SEC. 4. Section 3 of the Federal Physicians Compara-  
5 bility Allowance Act of 1978 (Public Law 95-603; 92 Stat.  
6 3018) is amended by striking out "September 30, 1981" and  
7 inserting in lieu thereof "September 30, 1983".

○